Retain Domestic Spying Curb, Senate Panel Urges Reagan

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The Senate Intelligence Committee recommended yesterday that President Reagan reject proposals to give the CIA wide-ranging authority to infiltrate and influence the activities of domestic organizations.

Sen. Barry Goldwater (R-Ariz.), the committee chairman, said the seven Republicans and two Democrats present at a session yesterday morning all agreed to ask the White House to maintain the current restrictions that were imposed in 1978.

Under a proposed new executive order for the intelligence community, the Central Intelligence Agency would be officially authorized for the first time to penetrate purely domestic organizations for any purpose that the CIA director or his designee determined to be lawful.

The infiltration could even be for the purpose of "influencing the activity of the organization or its members" so long as the attorney general was satisfied that this would not interfere with anyone's legal or constitutional rights.

Speaking after a closed, hour-long meeting of the committee, Goldwater indicated that the rest of the 23-

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page draft had been acceptable to the committee at large although individual members wanted other revisions as well. He said they would be free to express their concerns to the White House.

Goldwater also announced that the committee has now completed its investigation into CIA Director William J. Casey's business dealings in recent years and still sees "no basis . . . for concluding that Mr. Casey is unfit to serve as director of central intelligence."

The committee's vice chairman, Sen. Daniel Patrick Moynihan (D-N.Y.), suggested, however, that the panel may still have some critical observations to make when it issues its final report on the matter, perhaps by the end of November.

It also appeared that the senators have yet to complete their study of the administration's proposed new executive order despite Goldwater's remarks. The committee is still waiting for some additional information about it, including details about the guidelines the Justice Department will have to issue to implement it.

"We didn't decide anything finally," Moynihan stressed following yesterday's session.

The New York Democrat, who has been much more critical of the order than Goldwater, will take charge of the committee later this week, probably for the rest of the year. Goldwater is leaving for Arizona Thursday where he faces hip surgery in early November and then a prolonged recuperation period.

Moynihan has protested that the draft order virtually guarantees that the CIA and the rest of the U.S. intelligence community would "suddenly be revived as a threat to liberties internally."

The president is free to ignore the advice from Capitol Hill and promulgate the order as it stands, but administration officials have suggested at least some changes are in store to allay fears about a new era of domestic spywork.

One revision may involve what some critics view as a blank check for any undercover operations the president might deem necessary. The draft order, a copy of which was obtained by The Washington Post, has a catchall sanction for "such other intelligence activities as the president may direct from time to time." It then defines "intelligence activities" as "all activities . . . authorized . . . pursuant to this order."

The current rules for undisclosed participation in domestic organizations were promulgated by President Carter in January of 1978. They give the FBI broad authority to infiltrate domestic groups "in the course of a lawful investigation," but the CIA and other U.S. intelligence agencies are subject to two main limitations.

Unless the organization is composed primarily of foreigners and is reasonably believed to be acting on behalf of a foreign power, the CIA can penetrate it only if:

- The infiltration comports with publicly announced standards approved by the attorney general and:
- The infiltration is not undertaken for the purpose of influencing the activity of the organization or its members.

Sen. Patrick J. Leahy (D-Vt.) said the committee is likely to make additional recommendations before it sends its views to the White House Friday. He told a reporter that he wants to make sure that nothing in the implementing guidelines—some of which will be secret—will be "contradictory to the order."

"Nobody seemed overly eager to send down a blanket approval at today's meeting," Leahy added. He said he considered this "a good sign" since the panel's advice is likely to carry more weight if it is unanimous.